PROFESSIONAL EMPLOYEES

Survey No. 39
of
BNA's
PERSONNEL POLICIES®

FORUM

OCTOBER, 1956

Prepared for the users of:

DAILY LABOR REPORT
LABOR RELATIONS REPORTER
LABOR POLICY and PRACTICE
RETAIL LABOR REPORT
SERVICE INDUSTRIES LABOR REPORT

THE BUREAU OF NATIONAL AFFAIRS, INC.
1231 24TH STREET N.W., WASHINGTON, D. C.

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What Is The Personnel Policies Forum?

The Editors of The Bureau of National Affairs have invited representative personnel and industrial relations executives to become members of the 1956 Panel of the PERSONNEL POLICIES FORUM. These panel members are top personnel officials in all types of companies, large and small, in all branches of industry and all sections of the country.

At regular intervals throughout the year BNA editors ask the members of the Panel to outline their policies and procedures on some important aspect of employment, industrial relations, and personnel problems. From these replies, the editors complete a survey report on the problem, showing prevailing practices, new wrinkles and ideas, and cross-section opinion from these top-ranking executives.

In many cases, the comments, suggestions, and discussions are reproduced in the words of the Panel members themselves. In effect, survey users are sitting around a table with these executives and getting their advice and experience on the major problems in this field facing all companies this year.

Results of each PERSONNEL POLICIES FORUM survey made during 1956 are printed in a special survey report which is sent, as part of the service, to users of these BNA labor reports:

Labor Relations Reporter*—*Labor Policy and Practice*—*Daily Labor Report*—*Retail Labor Report*—*Service Industries Labor Report

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PROFESSIONAL EMPLOYEES

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INTRODUCTION

This survey, fourth in the 1956 series, is based on data submitted by 89 executives participating in the Personnel Policies Forum.

(Almost all of the "professional employees" covered by this survey fall within five specific categories -- engineers, chemists, accountants, physicists, and psychologists -- and salary data were requested only for these groups. Other employees reported by Panel members as "professionals" include attorneys, biologists, architects, metallurgists, mathematicians, and physicians. In general, personnel policies described in this survey apply to all of these specialized groups.)

Most companies tap a number of sources in recruiting professionals. The more important of these sources--cited by over half the companies--are newspaper advertising, employment agencies (both private and public), and colleges and universities. Other sources include professional societies and journals, employee referrals, and personal contacts by management.

In-plant training of professionals is usually on-the-job training, accomplished through coaching by an experienced man and/or rotation through various departments. Supplementary training devices include department conferences, dinner meetings, and routing of periodicals and trade publications.

Only about 15 percent of firms carry on formal training sessions for professionals. However, professionals in over one half of all companies are in the habit of supplementing their job knowledge through college or university courses. In almost all instances these out-plant courses are taken on a voluntary basis, with the company reimbursing the employee for anywhere from 50 percent to all of his tuition expenses. Sabbatical leaves for advanced study are the exception rather than the rule.

Some seven tenths of larger companies and four fifths of smaller ones pay for employee membership in professional and technical societies; almost always, professionals may attend such meetings on company time.

Defined salary schedules for professional employees are maintained by about 80 percent of larger and 55 percent of smaller firms; in most of these companies, the salary schedule is confidential information.

Salary increases are granted to professionals on a merit rather than an automatic basis in the great majority of companies. This may be accounted for to some extent by the fact that in only about 5 percent of companies are any professionals represented by unions.

Specific salary data submitted by Panel members for five professional categories show a wide range within each category. Salaries of engineers, chemists, and psychologists who have only a B.S. degree go from a low of $3,900 to a high of $15,000, physicists with a B.S. earn from $3,900 to $12,600, and accountants receive from $3,900 to $12,000. As a rule, professionals with successively higher degrees--M.A.'s and Ph.D.'s--receive correspondingly higher salaries.

Annual turnover rates average between three and five replacements per 100 professional employees, but are much higher in a few companies.

As a group, professional employees enjoy more benefits and privileges than blue-collar employees or other white-collar employees. They receive (among other things) more sick pay, vacations, pension benefits, insurance, and personal leave, and also have greater freedom in determining their own working hours.

Special problems presented by professional employees--aside from the very considerable one of recruiting in a tight labor market--include their strong demands for recognition, promotion, and higher compensation.

(In the preceding paragraphs and in the more detailed discussion that follows, "smaller" company refers to one with 1,000 or fewer employees, while "larger" company refers to one with over 1,000 employees.)

RECRUITING PROFESSIONAL EMPLOYEES

Methods

A variety of sources are tapped by companies in recruiting their professional employees. Those cited most frequently are newspaper advertising, colleges and universities, and employment agencies (both private and public); other sources mentioned by a sizable number of Panel members include professional journals, professional societies, employee referrals, and "personal contacts" by management.

The following table shows percentages of larger and smaller firms using various recruiting sources (percentages total more than 100 because most companies use several sources):

	(Percent of Companies)	
	Larger Companies	Smaller Companies
Newspaper advertising	67 percent	65 percent
Colleges and universities	67 percent	58 percent
Employment agencies	59 percent	57 percent
Professional journals (advertising)	29 percent	23 percent
Professional societies	19 percent	19 percent
Employee referrals	16 percent	15 percent
"Personal contacts" by management	9 percent	19 percent

College Recruiting

As the figures above suggest, recruiting in colleges and universities is one of the best sources of professional talent. In addition to conducting on-campus interviews, a number of companies seek to interest students in their companies through such devices as plant tours and summer employment programs.

(A comprehensive study entitled "Recruiting College Graduates"--Personnel Policies Survey No. 5--was published by BNA in July 1951.)

One larger firm--The Toledo Edison Company, Toledo, Ohio--conducts a program designed to interest high school students in the field of engineering. The program is described by Frank W. Keith, Employee Relations Director, as follows:

> For the past year we have used some of our younger engineers to speak to high school freshmen concerning the preparation necessary to enter the engineering profession and the opportunities in the field. Over 2,000 high school freshmen have been contacted by our younger engineers during the past year.

Scholarship Programs

Scholarship programs for undergraduates in the professions are sponsored by one out of three larger firms but only one out of 14 smaller ones, Panel members report.

TRAINING

Indoctrination

Panel members were asked whether their companies have a formal indoctrination period for professionals. In only about one third of companies was this question answered "yes."

Among companies which do carry on an orientation program for professional employees, the following comments are typical:

> All new salaried employees are given a plant tour, see the company film "Fun For a Penny," and are introduced to fellow workers and company executives.--D.D. Peck, Assistant Works Manager & Personnel Manager, Frank H. Fleer Corp., Philadelphia, Pa.
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> * * *
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> Professional employees undergo a two-week orientation period, with a few days devoted to each department. At the end of this time they are asked to submit a report of their impressions, criticisms, and suggestions.--Grace Molloy, Personnel Director, Crescent Company, Inc., Pawtucket, R. I.
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> * * *
>
> The indoctrination period consists of one day on general company policies, one day talking with executive personnel on a plant schedule, two and one-half days on product information, and a one-half day question period.--T. G. Bloss, Industrial Relations Manager, Ohio Chemical & Surgical Equipment Co., Madison, Wis.

Detailed outlines for supervisory use in orienting new employees--professional or otherwise--are provided at Cuttèr Laboratories, Berkeley, Calif., and should prove of interest to personnel-industrial relations executives. A checklist of "first day" reminders is therefore reproduced (with minor deletions) below; a "second week" checklist follows the same pattern:

Please return by _____

SUPERVISORS FIRST DAY INDOCTRINATION REMINDER

To_____

This form is given you as a reminder of the things which should be discussed with _____ _____ now - the first day at work. It is set up as a "handle" for your memory so that you can check off each of the boxes when you have completed the item. The space at the bottom is for your comments - on how the employee reacted to your discussion, notes on any special items discussed which you think should become a part of the employee's permanent record, suggestions for changes or improvements in the indoctrination procedure.

(Cont'd)

- ☐ 1. Discuss products made in department and their uses.
- ☐ 2. Discuss care to be taken in making specific products.
- ☐ 3. Discuss general safety practices and First Aid.) Use the booklet, "A Safety
- ☐ 4. Discuss specific safety practices.) Guide," in this discussion, writing in the individual's name in the front, and on page 9, any safety notes which are not already covered, and which apply to this department only.
- ☐ 5. Discuss hours of work, becoming ill on the job, and calling in in case of
- ☐ 6. Discuss relief periods. absence.
- ☐ 7. Show the person the Time Card racks (if applicable).
- ☐ 8. Show the person the fire exits.
- ☐ 9. Arrange to show the person the rest rooms.
- ☐ 10. Arrange for the person to get clean gowns (if possible).
- ☐ 11. Arrange for the person to get locker and key (if applicable).
- ☐ 12. Discuss eating arrangements, and arrange for someone (preferably you) to take them to first day's free lunch.
- ☐ 13. Introduce the person to at least several co-workers.
- ☐ 14. Introduce the person to his immediate supervisor, and point out the lines of supervisory responsibility.
- ☐ 15. If the person has a problem, any problem, large or small, you are the one to come to.
- ☐ 16. Discuss any problems or questions the employee may still have - open up the meeting.
- ☐ 17. Tell the employee that he will receive a copy of "You and Cutter", that he should read it carefully, and that you will have a chat with him in a week and, if he has any questions or suggestions, you'd like to talk them over with him at that time.

Comments _____

Date _____ Signed _____ 3-19-54

In-Plant Training

The majority of companies represented on the Forum give their professional employees on-the-job training. Such training often continues for as long as two years. In most cases, it takes the form of coaching under an experienced man and/or rotation through different departments. Other devices used include routing of periodicals and trade publications, department conferences, and dinner meetings. The following remarks are illustrative:

> Inexperienced professionals are given initial project assignments requiring contact with a number of people responsible for various divisions of work related to that of the trainee. They also receive temporary assignments for observation in other divisions or departments.--F. M. Keith, Personnel Department Head, Dallas Power & Light Co., Dallas, Texas.
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> * * *
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> Professional personnel are started out on assignments of a minor nature under close supervision or work with our advanced professional man in the field. They are assigned progressively more difficult assignments and sit in on departmental discussions on related problems.--B. M. Carlson, Industrial Relations Manager, Masonite Corp., Ukiah, Calif.
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> * * *
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> Professionals are required to spend some time with each department to learn the functions of each and how they are coordinated with each other, before they actually start work in their assigned department.--Henry P. Meywes, Industrial Relations Director, Cleveland Hardware & Forging Co., Cleveland, Ohio.
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> * * *

> We have no formal program. We have so much work "backlogged"--the boys roll up their sleeves and "engineer." However, we recognize the need for a training program.--Paul A. Ahlstrom, Secretary-Treasurer, Automatic Voting Machine Corp., Jamestown, N. Y.

Only about 15 percent of firms conduct formal training sessions for professionals. Executives in a couple of companies which carry on such training describe it as follows:

> Training courses are led by senior staff engineers. We also invite outstanding leaders in the field to lecture to our people.--Leslie M. Slote, Director of Industrial Relations, Norden-Ketay Corp., New York, N. Y.
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> * * *
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> Job training is done within the departments and may include job rotation within or between departments. Authorities in technical fields of interest are invited to lecture, lead seminars, and discuss recent scientific developments informally with interested professionals. Some professionals have taken in-plant training in report writing and public speaking.--Personnel Executive, larger western company.

Out-plant Courses

Professional employees are in the habit of supplementing their job knowledge through college or university courses in some 55 percent of larger companies and 48 percent of smaller ones represented in the Forum. Participation in such courses is voluntary rather than compulsory in practically all of these companies--specifically, in all of the smaller firms and nine tenths of the larger ones (and only some of the courses taken are compulsory for employees in the remaining one tenth of larger firms.)

When participation in out-plant training is compulsory, tuition costs are generally paid in full by the company. Where such training is on a voluntary basis (that is, in the overwhelming majority of cases), companies pay the tuition bill to the following extent: 100 percent, in over one-third of these firms; 50 percent, in one fifth of the larger and one third of the smaller ones; and somewhere between 50 and 100 percent, in one fifth of the larger and one tenth of the smaller firms. In addition, one larger company pays 100 percent of tuition for job-related courses but only 50 percent for other courses.

A few companies make their contributions to tuition costs on a dollars-and-cents basis rather than as a percentage of cost. On a yearly basis, three larger firms pay an employee's fees up to $150. On a per-course basis, a larger firm pays up to $35, a smaller firm up to $25 for out-plant tuition expense of an employee.

In only about one tenth of companies (larger and smaller) in which professional employees take out-plant training on an optional basis does the company make no contribution at all toward the cost of tuition.

Company reimbursement of tuition fees is in some instances conditioned upon (1) the course being job-related, and/or (2) successful completion of the course.

One company's practices in this area are described by a Panel member as follows:

> We have a male chief accountant and a female accountant. The lady is continually taking specialized courses on tax problems, etc., and we pay the entire cost upon satisfactory completion of the course.--Ivan J. Hansen, Personnel Manager, Essick Manufacturing Co., Los Angeles, Calif.

In a rather unusual arrangement, one company reimburses tuition costs to employees according to the grade which they receive. The plan is described as follows:

> Tuition refunds are paid on completion of approved courses at colleges or universities. Full refund is given for an "A" grade, three-fourths refund for a "B" grade, one-half refund for a "C" grade, nothing for "D" or "F" grades. Employees completing correspondence school courses receive refunds on the same scale, except that three-fourths of the cost is considered a full refund.--J. L. Hobel, Industrial Relations Manager, Rohr Aircraft Corp., Chula Vista, Calif.

A larger midwestern company which does not refund tuition costs takes into consideration the fact that employees have taken courses on their own when salaries are reviewed, one Panel member notes.

Membership in Professional Societies

About 70 percent of larger companies and 80 percent of smaller firms represented in the Forum pay for employee membership in professional and technical societies. A number of these companies qualified their replies, stating that they pay for such memberships only in some cases, or that they limit payments for individual employees to one or two societies. Instances of such qualifying conditions are seen in the following remarks by personnel executives:

> We pay only in certain special cases where membership is a requisite part of employees' company job responsibilities, as in specialized societies. We do not pay for basic society membership--for example, ACS (American Chemical Society) or ASME (American Society of Mechanical Engineers).--Personnel Executive, larger western company.
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> * * *
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> If a person is hired as a CPA, his dues to various CPA organizations would not be paid. However, if he would join NACA (National Association of Cost Accountants) or NOMA (National Office Management Association) or some such organization, the company probably would pay. Architects who join various state organizations in order to enable us to get along easier in that state are reimbursed. The company usually pays for subscriptions to various professional publications if these are definitely beneficial to the work an employee is doing.--Executive, larger midwestern company.
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> * * *
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> Company payment for professional society membership is limited mostly to senior-type employees and executives.--R. T. Bartlett, Industrial Relations Manager, Stratos Division, Fairchild Engine & Airplane Corp., Bay Shore, N. Y.
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> * * *
>
> We pay dues in scientific and allied societies for any employee when it makes good sense as related to his responsibilities.--Personnel Manager, Cutter Laboratories, Berkeley, Calif.

Almost all companies which pay for employee membership in professional societies report that they foot the whole bill. Exceptions are one larger company which pays half the membership costs and another larger firm which pays anywhere from half to the total cost.

In almost all cases, professionals are allowed to attend their society conventions and meetings on company time. A few firms, however, note that such permission is granted "occasionally" or "subject to specific approval."

Sabbatical Leaves

Sabbatical leaves to professionals for advanced study are the exception rather than the rule, Panel members indicate. In nearly all of the smaller firms and in two thirds of the larger ones, such leaves are unheard of, while in the remaining firms they are granted only "rarely" or "occasionally."

A somewhat unusual arrangement at Cutter Laboratories, Berkeley, Calif., is described by the personnel manager, who says:

> Occasionally an employee works for us half-time and studies for a Ph. D. half-time.

Executives in two companies state that while the question of sabbatical leave has never come up, they would probably grant such leave should the occasion arise.

SALARY SCHEDULES

Defined salary schedules for professional employees are found in some 80 percent of larger companies and 55 percent of smaller firms participating in the Personnel Policies Forum.

Basis for Increases

In the great majority of companies, salary increases for professionals are made on a merit basis rather than being automatic. In only 6 percent of larger and 20 percent of smaller firms are automatic increases given, and in over half of these companies the automatic increases apply only to the lower end of the salary schedule.

A typical illustration of the way in which salary increases are given is contained in the following remarks by one Panel member:

> All salaried jobs are evaluated and assigned minimum and maximum values. An employee receives a review after six months on the job and once each year thereafter. Changes in duties or job content result in a re-evaluation and may change the range.--D. D. Peck, Assistant Works Manager & Personnel Manager, Frank H. Fleer Corp., Philadelphia, Pa.

Keeping the Salary Structure Confidential

Panel members were asked whether professional salary schedules are confidential or are made known to all employees within each profession. Their replies indicate that in some three fourths of companies which have defined salary schedules, such information is confidential. In the remaining one fourth, professional employees are told what the salary structure is for their particular profession -- that is, what the salary range and the intermediate steps are -- although individual salaries are kept confidential. Information on individual salaries is also kept confidential in companies which have no defined salary schedule.

Maintaining the Salary Structure

Panel members were asked how they guard against upsetting their salary structure when hiring experienced professionals. The explanation given most frequently is that they attempt to keep the salary structure on a "realistic" -- that is, a competitive -- basis, and "slot" in new employees in line with their experience. One larger company follows the practice of hiring only at beginning salary levels, while another hires at salaries no higher than the midpoint of the range.

Some 5 percent of companies, however, report that maintaining their salary structure represents a considerable problem.

The comments below by Panel members illustrate the general approach taken in hiring professionals:

> We maintain a competitive salary structure based on formal evaluation plus surveys. No hiring is done above the rates of equally competent people currently in our employ.--Industrial relations executive, larger western company.
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> * * *
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> All new employees are placed in a specific job group based on previous experience and training. No "radical" rates are permitted.--Industrial relations director, larger midwestern company.
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> * * *
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> We have realistic salary ranges which are periodically reviewed and compared with salary surveys conducted by us or by associations which we are members of.--Milton E. Yeoman, Personnel Director, Rogers Corp., Rogers, Conn.

One device for protecting the salary structure is suggested by a Panel member who says:

We emphasize fringe benefits and our advancement program.--Leslie M. Slote, Industrial Relations Director, Norden-Ketay Corp., New York, N. Y.

Starting, Median, and Top Salaries

Specific salary data were submitted by Panel members covering five categories of professionals: engineers, chemists, accountants, physicists, and psychologists. These data are summarized in the following sections. In considering them, these facts should be kept in mind:

(1) In requesting salary data, no attempt was made to distinguish between various subgroups of each broad profession. For instance, engineers are not broken down into categories such as "chemical engineers," "electrical engineers," and the like; all engineering salaries are grouped together.

(2) In listing top salaries, an effort has been made to exclude salaries which are so high that they appear to represent payment for management rather than for professional services.

(3) Where salaries submitted are sufficiently numerous, they have been broken down by (a) number of employees in the company, and (b) geographical location.

(4) "Average" salaries are in all cases median salaries for the category involved.

Engineers

Salaries for engineers with a B.S. degree--ranging from a low of $3,900 to a high of $15,000--are summarized in the following tables:

(1) By Number of Employees in Company	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
under 1,000	$3,900	$7,500	$4,932	$5,304	$8,788	$6,900	$5,720	$15,000	$9,142
1,000 - 1,999	4,160	5,220	4,800	5,590	8,500	7,200	7,020	12,500	9,960
2,000 - 4,999	4,000	5,512	4,800	6,000	8,400	6,500	7,200	12,720	8,907
5,000 and over	4,004	5,720	4,800	5,100	9,600	7,110	5,400	14,600	8,892

(2) By Geographical Region*	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
Northeast	$4,004	$7,500	$5,000	$5,304	$8,788	$7,020	$5,720	$15,000	$9,398
Central	3,900	5,256	4,800	5,700	8,400	6,600	7,200	12,600	9,045
South	4,440	5,100	4,800	5,100	7,200	6,590	5,400	12,720	8,400
West	4,500	6,600	4,800	6,300	9,600	8,400	7,800	14,400	10,200

(* Geographical regions are grouped as follows: Northeast includes New England, New Jersey, New York, and Pennsylvania; South includes Oklahoma, Texas, Arkansas, Louisiana, Mississippi, Kentucky, Tennessee, Alabama, Florida, Georgia, South Carolina, North Carolina, Virginia, West Virginia, Delaware, Maryland, and District of Columbia; West includes Montana, Wyoming, Colorado, New Mexico and all states west to Pacific Coast; Central region includes all other states.)

Examination of the above figures suggests that salaries of engineers with a B.S. degree (1) are not significantly affected by size of company, and (2) tend to be lowest in the South and highest in the West.

For engineers with (1) M.S., and (2) Ph.D. degrees, salaries are:

	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
(1) M.S.	$4,500	$7,200	$5,400	$5,520	$9,800	$7,815	$6,000	$14,400	$9,600
(2) Ph. D.	5,100	9,000	7,200	8,400	9,420	8,496	9,996	12,720	11,532

As expected, engineers with successively higher degrees receive--on the average--correspondingly higher salaries. However, this is not necessarily true for individual companies, as the following comment makes clear:

> Since we use the NMTA (National Metal Trades Association) job evaluation system which combines education and experience into one factor, we do not pay a professional employee more for a higher educational degree.--Grace Molloy, Personnel Director, Crescent Co., Inc., Pawtucket, R. I.

Chemists

Salaries for chemists with a B.S. degree range from $3,900 to $15,000. In the tables below, chemists' salaries are analyzed (1) by size of company, and (2) by geographic location:

Number of Employees in Company	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
under 1,000	$3,900	$6,600	$4,800	$4,930	$7,200	$6,625	$6,292	$10,111	$7,800
1,000 - 1,999	4,160	7,200	4,860	4,960	8,700	7,200	5,760	15,000	8,200
2,000 - 4,999	4,392	5,220	4,966	6,000	8,400	6,468	7,200	12,720	8,422
5,000 and over	4,004	5,952	4,920	5,148	8,076	6,980	5,304	12,600	10,848

Geographical Region*	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
Northeast	$4,004	$5,952	$4,940	$4,960	$8,700	$6,625	$5,760	$15,000	$8,784
Central	3,900	7,200	4,800	5,148	8,280	6,900	5,304	12,600	8,715
South	4,800	5,100	4,932	4,930	5,544	5,237	6,648	12,720	8,400
West	4,560	6,600	4,950	6,300	8,076	7,200	7,800	11,340	9,324

(* States comprising each region are listed in footnote under tables for Engineers.)

Chemists' salaries do not appear to vary significantly either with size of company or geographical location, with one exception: top salaries in the largest companies are on the average considerably higher than in firms with under 5,000 employees.

Salary data for chemists with advanced degrees are as follows:

	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
M.S.	$4,200	$8,900	$5,400	$6,600	$12,000	$7,815	$7,800	$14,600	$9,600
Ph. D.	4,320	10,000	7,200	8,496	11,100	9,798	10,800	16,500	13,560

Chemists with an M.S. degree average (in most cases) quite a bit more money than those with only a B.S. degree, and an even larger salary jump is recorded by chemists with a Ph. D.

Accountants

Salaries for accountants with an A.B. degree range from $3,900 to $12,000; they are broken down by company size and geographic location in the following tables:

Number of Employees in Company	Starting Salary			Median Salary			Top Salary		
	Low	High	Avg.	Low	High	Avg.	Low	High	Avg.
under 1,000	$3,900	$5,460	$4,226	$5,304	$9,880	$7,000	$5,720	$11,500	$7,641
1,000 - 1,999	3,984	5,000	4,200	5,220	8,000	5,952	6,300	12,000	9,950
2,000 - 4,999	3,900	5,220	4,356	5,100	7,000	6,300	6,600	12,000	8,784
5,000 and over	3,900	5,580	4,680	5,100	8,076	6,700	6,000	11,600	9,000

Geographical Region*	Starting Salary Low	Starting Salary High	Starting Salary Avg.	Median Salary Low	Median Salary High	Median Salary Avg.	Top Salary Low	Top Salary High	Top Salary Avg.
Northeast	$3,900	$5,580	$4,800	$5,200	$9,880	$6,484	$5,720	$12,000	$9,090
Central	3,900	5,256	4,200	5,100	8,000	5,400	6,000	12,000	7,440
South	3,984	4,800	4,110	5,904	6,900	6,402	6,300	9,900	8,280
West	4,200	5,400	4,560	6,192	8,076	7,350	7,200	11,340	9,600

(* States comprising each region are listed in footnote under tables for Engineers.)

In general, accountants' salaries show no direct relationship either to size of company or geographic location.

Among accountants with an M.A. or M.B.A. degree, salaries are as follows:

Starting Salary Low	Starting Salary High	Starting Salary Avg.	Median Salary Low	Median Salary High	Median Salary Avg.	Top Salary Low	Top Salary High	Top Salary Avg.
$4,320	$5,520	$4,800	$5,880	$7,800	$6,600	$7,200	$11,064	$7,575

These figures suggest that accountants with an M.A. or M.B.A. have an advantage salary-wise over accountants with a simple A.B. degree only at the starting end of the salary range.

Physicists

Salaries for physicists with a B.S. degree range from $3,900 to $12,600, while those with an M.S. or Ph.D. earn between $4,320 and $14,400. Within these ranges, the breakdown is as follows:

	Starting Salary Low	Starting Salary High	Starting Salary Avg.	Median Salary Low	Median Salary High	Median Salary Avg.	Top Salary Low	Top Salary High	Top Salary Avg.
B.S.	$3,900	$6,760	$4,956	$5,100	$8,400	$6,980	$5,400	$12,600	$8,698
M.S. or Ph.D.	4,320	7,200	5,610	5,520	9,800	9,000	6,000	14,400	9,510

Psychologists

Salaries for psychologists with a B.S. degree range from $3,900 to $15,000 and are summarized as follows:

Starting Salary Low	Starting Salary High	Starting Salary Avg.	Median Salary Low	Median Salary High	Median Salary Avg.	Top Salary Low	Top Salary High	Top Salary Avg.
$3,900	$5,500	$4,050	$5,400	$8,000	$6,700	$6,720	$15,000	$7,515

Data submitted covering psychologists with advanced degrees (M.S. or Ph.D.) were insufficient to warrant presentation.

TURNOVER RATES

A number of Panel members listed annual turnover rates for their professional employees, in terms of the number of replacements yearly per 100 professional employees within a category. These data are summarized below. Note that while turnover rates are in most cases 5.0 or lower, a few companies experience much high rates ranging from 15.0 to 24.0.

Turnover Rate	Engineers	Accountants	Chemists	Physicists
0	2 companies	2 companies	--	--
less than 1.0	1 company	2 cos.	1 company	--
1.25	1 co.	1 co.	--	--
less than 2.0	--	1 co.	--	--
2.0	5 cos.	2 cos.	--	--
2.5	1 co.	--	--	1 company
3.0	1 co.	1 co.	--	--
4.0	2 cos.	1 co.	1 co.	--
4.5*	1 co.	--	1 co.	1 co.
5.0	4 cos.	4 cos.	1 co.	--
6.5	1 co.	--	--	--
7.95	1 co.	--	--	--
8.0	1 co.	--	1 co.	--
10.0	1 co.	--	--	1 co.
15.0	--	--	1 co.	--
17.0	1 co.	--	--	--
17.5	1 co.	1 co.	--	--
18.0	--	1 co.	--	--
20.0	1 co.	1 co.	--	--
24.0	1 co.	1 co.	--	--
	Engineers	Accountants	Chemists	Physicists
Average (median) rate	4.15	3.5	4.75	4.5

(* Turnover rate is 4.5 for all professionals, 2.5 excluding female professionals.)

PERSONNEL PRACTICES APPLYING TO PROFESSIONALS

Separate personnel administration for professional employees is maintained by only 10 percent of the larger companies and none of the smaller ones participating in the Forum.

Some idea of these specialized setups can be obtained from the following remarks by Panel members:

> Job analysis and salary administration for professionals are under the direct control of the Industrial Relations Manager instead of the General Supervisor of Employee & Office Services.--J.L. Hobel, Industrial Relations Manager, Rohr Aircraft Corp., Chula Vista, Calif.
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> * * *
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> We have a separate personnel office with all of the same services but with an experienced engineering man in charge of the program.--T. S. Hoffman, Hoffman Laboratories, Inc., Los Angeles, Calif.
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> * * *
>
> Administrative personnel in the Research & Development and Engineering Departments are primarily concerned with professional people and their problems.--Industrial Relations Director, larger southern company.

Are Professionals Treated Differently?

Executives in roughly half of the companies represented in the Forum state that their personnel practices covering professional employees are substantially the same as those for other white-collar or blue-collar employees.

Among the remaining companies, a number of Panel members point out that professionals are given the same treatment as other exempt employees--which means (among other things) that they receive certain advantages not accorded to rank-and-file employees. For example:

> Generally speaking, these professional employees are included in our exempt personnel group. As such they are not restricted by rules and regulations as our white collar workers are. They work the hours of their assignment in contrast to putting in specific hours per day.--Thomas H. Spitler, Industrial Relations Director, Argus Cameras, Inc., Ann Arbor, Mich.
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> * * *
>
> No employee who earns more than $6,500 a year has to punch a time card, and employees in this category share in a quarterly incentive bonus plan.--George A. Franklin, Personnel Director, Automatic Switch Co., Orange, N. J.

At the same time, several Panel members note that professionals are treated the same way as other white-collar employees but differently from the blue-collar group. For instance:

> Professional and white-collar employees are much the same, but differ from blue-collar employees in pay for time off, ringing of clock cards, vacations, and so forth. --Russell M. Shuster, Industrial Relations Manager, The Lamb Electric Co., Kent, Ohio.
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> * * *
>
> Treatment of professionals is similar to that of other white-collar employees; they receive more pension benefits, group insurance, sick pay, vacation, and profit sharing than blue-collar employees.--Alfred P. Hulme, Personnel Manager, Cuno Engineering Corp., Meriden, Conn.

Other executives, comparing the treatment accorded professionals with that of other employees (without distinguishing between white-collar and blue-collar groups), explain that the professionals work under fewer restrictions and receive more benefits and privileges. The following remarks are illustrative:

> In some respects, professional employees receive more liberal benefits, such as excused absences. They are allowed to attend technical meetings, lectures, courses, and other activities aimed at furthering professional status. Moreover, much more individual attention is given to work performance and development of professionals. --Industrial relations director, larger southern company.
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> * * *
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> Professional employees are eligible for bonuses, have more latitude in coming and going, and are given more time during regular working hours to attend to necessary personal duties.--Personnel executive, larger western company.

Other personnel practices applying to professional employees but not to rank-and-file employees in at least one company include the granting of severance pay and reserved parking space.

Underlining one larger company's approach to the treatment of professionals, a Panel member says:

> Professional employees are considered as part of management.--J.R. Cullinan, Assistant Vice President, Mountain States Telephone & Telegraph Co., Denver, Col.

In all of the foregoing paragraphs, wherever personnel practices governing professionals differ from those governing rank-and-file employees, the professional group has a decided advantage. However, one larger company reports that in two areas--frequency of salary review and premium pay for overtime work--the professional employee does not come out as well. Thus:

> All professional salaries are reviewed in March and September of each year, instead of at four-month intervals as in the case of hourly employees. Professionals also receive extended workweek payment instead of regular overtime pay for authorized hours worked on Saturday or Sunday or in excess of eight hours per day; payment consists of time-and-a-half on salary up to $535 a month and straight time thereafter.--J.L. Hobel, Industrial Relations Manager, Rohr Aircraft Corp., Chula Vista, Calif.

Unionization

In only 6 percent of larger companies and 4 percent of smaller firms are any professional employees represented by labor unions. In general, the unionized professionals in these companies are at lower levels in the salary structure. (Professionals at higher salary levels would tend to have supervisory duties, hence would be ineligible to join unions.)

SPECIAL PROBLEMS PRESENTED BY PROFESSIONAL EMPLOYEES

Panel members were asked what special problems are presented by professional employees. A substantial number--one fourth of the larger companies and one half of the smaller ones--answered "No problems."

A majority of Panel members, however, do point to special problems connected with professionals. For the most part, these relate to professional morale as affected by compensation, responsibility, promotional opportunities, and desire for recognition. A particularly pressing problem--cited by some 40 percent of larger and 15 percent of smaller firms--is the recruiting of qualified professionals in the present "tight" labor market.

In the comments that follow, Panel members pinpoint these and other problems which face the personnel administrator:

Recognition

> Our professional employees seem to feel that they do not receive enough recognition and are not doing enough professional work. The younger ones, in particular, are prone to question the adequacy of pay.--Frank W. Keith, Employee Relations Director, The Toledo Edison Company, Toledo, Ohio.
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> * * *
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> They are extremely conscious of their professional standing. They expect special consideration.--Personnel executive, larger midwestern company.
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> A problem presented by professional employees is keeping up their sense of individual prestige and not letting them feel that they are losing their identity in the multitude.--Richard A. Bromley, Personnel Director, The Dow Chemical Company, Madison, Ill.
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> * * *
>
> They try to segregate themselves (engineers in particular) and like to be treated as a group of superior individuals.--Leslie M. Slote, Industrial Relations Director, Norden-Ketay Corp., New York, N.Y.
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> * * *
>
> They are keenly interested in all policies and communications of the company, not only what management sees fit to pass on. They expect to be treated as management, not as general employees.--Henry P. Meywes, Industrial Relations Director, Cleveland Hardware & Forging Co., Cleveland, Ohio.

Compensation

> Measurement of the effectiveness and value of professionals to an organization is difficult. Deciding the proper dollar compensation for such men--particularly those who create new products--is a challenge.--R.B. Wood, Industrial Relations Manager, R.M. Hollingshead Corp., Camden, N.J.
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> * * *
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> Intense competition for industrial engineers makes recruitment difficult; it also tends to place their earnings out of line with other positions in the company that are comparable in responsibility.--Maurice E. Berthiaume, Staff Manager, Personnel Relations, Cluett, Peabody & Co., Inc., Troy, N.Y.

Promotion

One of the chief problems among engineers, especially during the first several years of employment, is the restlessness that results from their desire to move ahead faster than their actual job knowledge permits. There is also the problem of assuring our management that this group is being used on engineering work. It is our practice to talk personally with each engineer with less than five years' service to determine his attitude regarding his job, company policies, and the like. This is done annually on a planned basis and periodically as the occasion permits.--William E. Hoare, Employee Relations Director, The Ohio Fuel Gas Co., Columbus, Ohio.

* * *

How can below-average professional people be kept happy who are necessary to do the work and do perform an acceptable job, but are slow in being promoted or are not promoted at all, and do not receive salaries comparable to those of top-notch personnel?--Industrial relations director, larger southern company.

* * *

Problems facing a small company include keeping professional employees challenged, providing enough growing room, offering enough of a financial future, and defining clear areas of staff and line responsibilities.--Paul A. Ahlstrom, Secretary-Treasurer, Automatic Voting Machine Corp., Jamestown, N.Y.

Training

Professional employees, particularly engineers, are difficult to train in administrative matters.--R.T. Bartlett, Industrial Relations Manager, Stratos Division, Fairchild Engine & Airplane Corp., Bay Shore, N.Y.

Recruiting

The major problem is, of course, recruiting professionals, due partly to the general shortage and partly to the type of specialized experience we seek in certain areas of our industry.--J.J. Sheeran, Personnel Manager, Hewitt-Robins Inc., Buffalo, N.Y.

* * *

In a small professional group it is very important to find well-rounded experience and personalities. Their areas of interest in the work performed is wide. They must fit into a small work group, and the individual as well as the family must fit into our small community.--Robert A. Lambert, Personnel Manager, Wise Potato Chip Co., Berwick, Pa.

RECENT PERSONNEL POLICIES FORUM SURVEYS

22. Earnings of First-Line Supervisors, January 1954
23. Evaluating a Personnel-Industrial Relations Program, February, 1954
24. Employment Stabilization, April, 1954
25. Administration of Health and Welfare Plans, July, 1954
26. Control of Absenteeism, September, 1954
27. Computing Absenteeism Rates, October, 1954
28. Wage-Salary Administration, November, 1954
29. Company Safety Programs, February, 1955
30. Unemployment Compensation Problems, May, 1955
31. Supervisory Development: Part 1, July, 1955
32. Supervisory Development: Part 2, September, 1955
33. Automation, November, 1955
34. Nonsupervisory Office Employees, December, 1955
35. Downward Communications, February, 1956
36. Military Leave Policies, May, 1956
37. The Executive, July 1, 1956
38. Medical Services for Employees, August, 1956